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FM AMEMBASSY THE HAGUE
TO RUEHC/SECSTATE WASHDC 7601
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 1958
RUEHBR/AMEMBASSY BRASILIA 0414
RUEHBU/AMEMBASSY BUENOS AIRES 0166
RUEHBY/AMEMBASSY CANBERRA 2629
RUEHMO/AMEMBASSY MOSCOW 1692
RUEHNE/AMEMBASSY NEW DELHI 0550
RUEHOT/AMEMBASSY OTTAWA 5097
RUEHUL/AMEMBASSY SEOUL 1347
RUEHKO/AMEMBASSY TOKYO 1721
RUEHWL/AMEMBASSY WELLINGTON 0319
RUEHBS/USEU BRUSSELS 0420

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TAGS: [EAIR](#) [ECON](#) [SENV](#)
SUBJECT: DUTCH RESPONSE: EU EMISSIONS TRADING AND
INTERNATIONAL AVIATION

REF: SECSTATE 190254

Classified By: Economic Counselor Karen Enstrom,
reasons 1.4 (b) and (d)

¶1. (U) Econoff delivered on November 22 reftel demarche on the EU Emissions Trading Scheme (ETS) and its potential effects on international aviation to Rene Fennes, Head of International Relations at the Ministry of Transport, Public Works, and Water Management (MOT). Fennes responded that the official GONL position strongly supported the European Commission Directorate for the Environment (DGEnv) proposal.

¶2. (C) In a follow-up November 27 conversation, Fennes told Econoff in confidence that the Dutch environmental lobby, including several "hard-core green environmentalists," had largely shaped the current GONL position. He said EU environmental lobbyists had pressured the DGEnv to include non-EU aviation in the proposed ETS legislation. Fennes claimed to be aligned with Dutch "pragmatists," who opposed support for such a "rash and unilateral" measure as including non-EU aviation within the framework of the EU ETS. Despite November 22 Dutch parliamentary elections, he did not foresee any change in the current GONL position, as the next government would not have the consensus needed to force a change. From an economic, trade, and transatlantic relations perspective, Fennes believed "pragmatists" within various Dutch ministries (primarily the MOT and Ministry of Economic Affairs) had a strong argument for revisiting the inclusion of non-EU aviation in the ETS.

¶3. (C) Upon Fennes recommendation, Econoff met December 1 with Hans Pulles, Dutch representative to the International Civil Aviation Group (ICAO) and Chair of the Forecasting Group at ICAO. Pulles said MOT's initial position had favored a proposal including only CO2 and intra-EU air traffic. The GONL later adopted the DGEnv position after strong lobbying by the Dutch Environment Ministry. Pulles predicted that real discussions over the proposal would await the German EU Presidency.

¶4. (C) Pulles suggested that ICAO could provide a good framework to discuss the ETS, but that there "must be results." U.S. suggestions for further modeling, operational changes, and technical improvements would not be enough to offset the predicted growth in air traffic, he added.
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